

## SPECIAL TARIFF POSITION OF PHILIPPINES

*Exchange of notes at Washington May 4 and July 11, 1946, modifying  
agreement of February 27, 1935*

*Entered into force July 11, 1946*

*Terminated February 10, 1963*<sup>1</sup>

61 Stat. 2436; Treaties and Other  
International Acts Series 1572

*The Acting Secretary of State to the Belgian Ambassador*

DEPARTMENT OF STATE

WASHINGTON

*May 4, 1946*

### EXCELLENCY:

With reference to the forthcoming independence of the Philippines on July 4, 1946, my Government considers that provision for a transitional period for dealing with the special tariff position which Philippine products have occupied for many years in the United States is an essential accompaniment to Philippine independence. Accordingly, under the Philippine Trade Act approved April 30, 1946,<sup>2</sup> goods the growth, produce or manufacture of the Philippines will enter the United States free of duty until 1954, after which they will be subject to gradually and regularly increasing rates of duty or decreasing duty-free quotas until 1974 when general rates will become applicable and all preferences will be completely eliminated.

Since the enactment of the Philippine Independence Act approved March 24, 1934,<sup>3</sup> my Government has foreseen the probable necessity of providing for such a transitional period and has since then consistently excepted from most-favored-nation obligations which it has undertaken toward foreign governments advantages which it might continue to accord to Philippine products after the proclamation of Philippine independence. Some thirty instruments in force with other governments, for example, permit the continuation of the exceptional tariff treatment now accorded by my Government to Philippine products, irrespective of the forthcoming change in the Commonwealth's political status.

<sup>1</sup> Pursuant to notice of termination given by the United States Aug. 10, 1962.

<sup>2</sup> 60 Stat. 141.

<sup>3</sup> 48 Stat. 456.

With a view, therefore, to placing the relations between the United States and Belgium upon the same basis, with respect to the matters involved, as the relations existing under the treaties and agreements referred to in the preceding paragraph, I have the honor to propose that the most-favored-nation provisions of the Reciprocal Trade Agreement between the United States of America and the Belgo-Luxembourg Economic Union signed February 27, 1935,<sup>4</sup> shall not be understood to require the extension to Belgium of advantages accorded by the United States to the Philippines.

In view of the imminence of the inauguration of an independent Philippine Government, I should be glad to have the reply of Your Excellency's Government to this proposal at an early date.

Accept, Excellency, the renewed assurances of my highest consideration.

DEAN ACHESON  
*Acting Secretary of State*

His Excellency  
Baron ROBERT SILVERCRUYS  
*Belgian Ambassador*

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*The Belgian Ambassador to the Acting Secretary of State*

AMBASSADE DE BELGIQUE

WASHINGTON, July 11th, 1946

SIR,

I have the honour to acknowledge receipt of your letter of May 4th, by which you kindly advised me that the Government of the United States of America considers that provision for a transitional period for dealing with the special tariff position which the Philippines products have occupied for many years in the United States, is an essential accompaniment to Philippine independence.

Accordingly, under the Philippine Trade Act approved April 30, 1946, goods the growth, produce or manufacture of the Philippines, will enter the United States free of duty until 1954, after which they will be subject to gradually and regularly increasing rates of duty or decreasing duty-free quotas until 1974 when general rates will become applicable and all preferences will be completely eliminated.

Upon instructions received from my Government, I am pleased to advise you that, on behalf of the Belgian-Luxembourg Economic Union, they agree that the most-favoured-nation provisions of the Reciprocal Trade Agreement between the United States of America and the Belgo-Luxembourg Economic Union, signed February 27, 1935, shall not be understood to require during

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<sup>4</sup> EAS 75, *ante*, p. 710.

the above mentioned period, the extension to the Economic Union of advantages accorded by the United States of America to the Philippines.

Accept, Sir, the renewed assurance of my highest consideration.

SILVERCRUYS

*The Belgian Ambassador*

The Honorable DEAN ACHESON

*Acting Secretary of State*

*Washington, D. C.*